

A RESOLUTION FINDING, DETERMINING  
AND RATIFYING AN INDUCEMENT RESOLUTION  
OF THE FORT WAYNE ECONOMIC DEVELOPMENT COMMISSION  
AUTHORIZING THE ISSUANCE AND SALE OF  
\$3,400,000 ECONOMIC REVENUE BONDS OF THE  
CITY OF FORT WAYNE, INDIANA,  
FOR THE PURPOSE OF INDUCING THE APPLICANT,  
(CENTENNIAL/FORT WAYNE ASSOCIATES, A GENERAL PARTNERSHIP)  
TO PROCEED WITH THE ACQUISITION,  
CONSTRUCTION AND EQUIPPING OF THE PROJECT.

WHEREAS, the City of Fort Wayne, Indiana, (the "Issuer")  
is authorized by I.C. §36-7-12 (the "Act") to issue revenue  
bonds for the financing of economic development facilities,  
the funds from said financing to be used for the acquisition,  
construction and equipping of said facilities, and said faci-  
lities to be either sold or leased to another person or dir-  
ectly owned by another person; and

WHEREAS, Centennial/Fort Wayne Associates, A General Part-  
nership (the "Applicant") has advised the Fort Wayne Economic  
Development Commission and the Issuer that it proposes that the  
Issuer lease the same to the Applicant or loan proceeds of an  
economic development financing to the Applicant for the same, said  
economic development facility to be acquisition and construction  
of an apartment complex for low and moderate income families to  
be guaranteed by the Federal Housing Administration including  
costs of issue, said project to be located at Old Decatur Road  
and Serenity Drive, Fort Wayne, Indiana (the "Project"); and

WHEREAS, the diversification of industry and an increase  
in approximately 75 construction and 4 permanent job opportunities  
to be achieved by the acquisition, construction and equipping of  
the Project will be of public benefit to the health, safety and  
general welfare of the Issuer and its citizens; and

WHEREAS, having received the advice of the Fort Wayne  
Economic Development Commission, it would appear that the  
financing of the Project would be of public benefit to the

1 health, safety and general welfare of the Issuer and its  
2 citizens; and

3 WHEREAS, the acquisition and construction of the facility  
4 will not have an adverse effect on any similar facility already  
5 constructed or operating in or about Fort Wayne, Indiana:

6 NOW THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL OF  
7 THE CITY OF FORT WAYNE, INDIANA:


8 SECTION 1. The Common Council finds, determines, ratifies  
9 and confirms the promotion of diversification of economic  
10 development and job opportunities in and near Fort Wayne, Indiana  
11 and in Allen County, is desirable to preserve the health, safety  
12 and general welfare of the citizens of the Issuer; and that it  
13 is in the public interest that Fort Wayne Economic Development  
14 Commission and said Issuer take such action as it lawfully may  
15 to encourage diversification of industry and promotion of job  
16 opportunities in and near said Issuer.

17 SECTION 2. The Common Council further finds, determines,  
18 ratifies and confirms that the issuance and sale of revenue  
19 bonds in an amount not to exceed \$3,400,000 of the Issuer  
20 under the Act for the acquisition, construction and equipping  
21 of the Project and the sale or leasing of such a financing  
22 to the Applicant for such purposes will serve the public  
23 purpose referred to above, in accordance with the Act.


24 SECTION 3. In order to induce the Applicant to proceed  
25 with the acquisition, construction and equipping of the Project,  
26 the Common Council hereby finds, determines, ratifies and confirms  
27 that (i) it will take or cause to be taken such actions pursuant  
28 to the Act as may be required to implement the aforesaid financ-  
29 ing, or as it may deem appropriate in pursuance thereof, provided  
30 that all of the foregoing shall be mutually acceptable to the  
31 Issuer and the Applicant; and (ii) it will adopt such ordinances  
32 and resolutions and authorize the execution and delivery of such

1 instruments and the taking of such action as may be necessary  
2 and advisable for the authorization, issuance and sale of said  
3 economic development bonds.

4 SECTION 4. All costs of the Project incurred after the  
5 passage of this Inducement Resolution, including reimbursement  
6 or repayment of the Applicant of monies expended by the Applicant  
7 for planning, engineering, interest paid during construction,  
8 underwriting expenses, attorney and bond counsel fees, acquisi-  
9 tion, construction and equipping of the Project will be permitted  
10 to be included as part of the bond issue to finance said Project,  
11 and the Issuer will thereafter either sell or lease the same  
12 to the Applicant or loan the proceeds of such financing to the  
13 Applicant for the same purposes.

14  
15   
16 COUNCILMAN

17 APPROVED AS TO FORM AND  
18 LEGALITY.

19   
20 John J. Wernet, Attorney for the  
Economic Development Commission  
Dated this \_\_\_\_ day of \_\_\_\_\_, 1982.

Read the first time in full and on motion by \_\_\_\_\_,  
seconded by \_\_\_\_\_, and duly adopted, read the second time  
by title and referred to the Committee \_\_\_\_\_ (and the City  
Plan Commission for recommendation) and Public Hearing to be held after  
due legal notice, at the Council Chambers, City-County Building, Fort Wayne,  
Indiana, on \_\_\_\_\_, the \_\_\_\_\_ day of  
\_\_\_\_\_, 19\_\_\_\_, at \_\_\_\_\_ o'clock \_\_\_\_\_ M., E.S.T.

DATE: \_\_\_\_\_

Charles W. Westerman  
CHARLES W. WESTERMAN - CITY CLERK

Read the third time in full and on motion by \_\_\_\_\_,  
seconded by Stier, and duly adopted, placed on its  
passage. PASSED (~~LOST~~) by the following vote:

	<u>AYES</u>	<u>NAYS</u>	<u>ABSTAINED</u>	<u>ABSENT</u>	<u>TO-WIT:</u>
<u>TOTAL VOTES</u>	<u>5</u>	<u>2</u>	_____	<u>2</u>	_____
<u>BRADBURY</u>	<u>X</u>	_____	_____	_____	_____
<u>BURNS</u>	_____	<u>X</u>	_____	_____	_____
<u>EISBART</u>	<u>X</u>	_____	_____	_____	_____
<u>GIAQUINTA</u>	<u>X</u>	_____	_____	_____	_____
<u>NUCKOLS</u>	_____	_____	_____	<u>X</u>	_____
<u>SCHMIDT</u>	_____	_____	_____	<u>X</u>	_____
<u>SCHOMBURG</u>	<u>X</u>	_____	_____	_____	_____
<u>STIER</u>	_____	<u>X</u>	_____	_____	_____
<u>TALARICO</u>	<u>X</u>	_____	_____	_____	_____

DATE: 2-23-82

Charles W. Westerman  
CHARLES W. WESTERMAN - CITY CLERK

Passed and adopted by the Common Council of the City of Fort Wayne,  
Indiana, as (ZONING MAP) (GENERAL) (ANNEXATION) (SPECIAL)

(APPROPRIATION) ORDINANCE (RESOLUTION) NO. R07-82  
on the 23rd day of February, 1982.

ATTEST:

(SEAL)

Charles W. Westerman  
CHARLES W. WESTERMAN - CITY CLERK

Samuel J. Talarico  
PRESIDING OFFICER

Presented by me to the Mayor of the City of Fort Wayne, Indiana, on  
the 24th day of February, 1982, at the hour of  
11:00 o'clock A. M., E.S.T.

Charles W. Westerman  
CHARLES W. WESTERMAN - CITY CLERK

Approved and signed by me this 25th day of Feb,  
1982, at the hour of 11 o'clock P. M., E.S.T.

Win Moses, Jr.  
WIN MOSES, JR. - MAYOR

Read the first time in full and on motion by GiaQuinta, seconded by Luc, and duly adopted, read the second time by title and referred to the Committee Finance (and the City Plan Commission for recommendation) and Public Hearing to be held after due legal notice, at the Council Chambers, City-County Building, Fort Wayne, Indiana, on \_\_\_\_\_, 19\_\_\_\_, at \_\_\_\_\_ o'clock \_\_\_\_\_ M., E.S.T.

DATE: 2-5-82

Charles W. Westerman  
CHARLES W. WESTERMAN  
CITY CLERK

Read the third time in full and on motion by \_\_\_\_\_, seconded by \_\_\_\_\_, and duly adopted, placed on its passage. PASSED (LOST) by the following vote:

	<u>AYES</u>	<u>NAYS</u>	<u>ABSTAINED</u>	<u>ABSENT</u>	<u>TO-WIT:</u>
<u>TOTAL VOTES</u>	_____	_____	_____	_____	_____
<u>BURNS</u>	_____	_____	_____	_____	_____
<u>EISBART</u>	_____	_____	_____	_____	_____
<u>GiaQUINTA</u>	_____	_____	_____	_____	_____
<u>NUCKOLS</u>	_____	_____	_____	_____	_____
<u>SCHMIDT, D.</u>	_____	_____	_____	_____	_____
<u>SCHMIDT, V.</u>	_____	_____	_____	_____	_____
<u>SCHOMBURG</u>	_____	_____	_____	_____	_____
<u>STIER</u>	_____	_____	_____	_____	_____
<u>TALARICO</u>	_____	_____	_____	_____	_____

DATE: \_\_\_\_\_

\_\_\_\_\_  
CHARLES W. WESTERMAN - CITY CLERK

Passed and adopted by the Common Council of the City of Fort Wayne, Indiana, as (ZONING MAP) (GENERAL) (ANNEXATION) (SPECIAL) (APPROPRIATION) ORDINANCE (RESOLUTION) No. \_\_\_\_\_ on the \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_.

ATTEST: (SEAL)

\_\_\_\_\_  
CHARLES W. WESTERMAN - CITY CLERK

\_\_\_\_\_  
PRESIDING OFFICER

Presented by me to the Mayor of the City of Fort Wayne, Indiana, on the \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_, at the hour of \_\_\_\_\_ o'clock \_\_\_\_\_ M., E.S.T.

\_\_\_\_\_  
CHARLES W. WESTERMAN - CITY CLERK

Approved and signed by me this \_\_\_\_\_ day of 19\_\_\_\_, at the hour of \_\_\_\_\_ o'clock \_\_\_\_\_ M., E.S.T.

\_\_\_\_\_  
WINFIELD C. MOSES, JR.  
MAYOR

*Hold for  
next week!*

BILL NO. R-82-02-02

REPORT OF THE COMMITTEE ON FINANCE

WE, YOUR COMMITTEE ON Finance TO WHOM WAS REFERRED AN  
ORDINANCE A RESOLUTION FINDING, DETERMINING AND RATIFYING AN  
INDUCEMENT RESOLUTION OF THE FORT WAYNE ECONOMIC REVENUE BONDS OF  
THE CITY OF FORT WAYNE, INDIANA, FOR THE PURPOSE OF INDUCING THE  
APPLICANT, (CENTENNIAL/FORT WAYNE, ASSOCIATES, A GENERAL PARTNERSHIP)  
TO PROCEED WITH THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF  
THE PROJECT

HAVE HAD SAID ORDINANCE UNDER CONSIDERATION AND BEG LEAVE TO REPORT  
BACK TO THE COMMON COUNCIL THAT SAID ORDINANCE No action PASS.

MARK E. GIAQUINTA - CHAIRMAN

PAUL M. BURNS - VICE CHAIRMAN

JAMES S. STIER

JOHN NUCKOLS

DONALD J. SCHMIDT

*Mark E. Giaquinta*

*Paul M. Burns*

*James S. Stier*

*2-23-82*  
DATE

CONCURRED IN

CHARLES W. WETTERMAN, CITY CLERK



# The City of Fort Wayne

February 5, 1982

Common Council of  
City of Fort Wayne  
One Main Street  
Fort Wayne, IN 46802

RE: City of Fort Wayne, Indiana, Economic Development  
Revenue Bonds (Centennial/Fort Wayne Associates)

Gentlemen and Mrs. Bradbury:

Please be advised that on the 28th day of January 1982, the Fort Wayne Economic Development Commission passed an Inducement Resolution on the above referenced application. Pursuant to Indiana law and the informal request of the Council, enclosed please find the following:

Inducement Resolution of the Fort Wayne Economic  
Development Commission/

The Report of the Economic Development Commission;

The Application for Economic Development financing,  
including the financial statements of the applicant; and

The Report of the City Controller.

The Commission requests that you consider these enclosures and the proposed financing contemplated thereby and adopt the Inducement Resolution submitted to the Council on February 9, 1982.

FORT WAYNE ECONOMIC DEVELOPMENT COMMISSION

Fred Baughman  
E.D.C. Coordinator

lr  
(Enclosures-4)  
cc: John Wernet  
Paul McNellis



INDUCEMENT RESOLUTION OF  
FORT WAYNE ECONOMIC DEVELOPMENT COMMISSION  
ON APPLICATION OF  
CENTENNIAL/FORT WAYNE ASSOCIATES,  
A GENERAL PARTNERSHIP

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WHEREAS, the City of Fort Wayne, Indiana, (the "Issuer") is authorized by Indiana Code §36-7-12 (the "Act") to issue revenue bonds for the financing of economic development facilities, the funds from said financing to be used for the acquisition, construction and equipping of said facilities, and said facilities to be either sold or leased to the user or developer; and

WHEREAS, Centennial/Fort Wayne Associates, A General Partnership (the "Applicant"), has advised the Fort Wayne Economic Development Commission (the "Commission") and the Issuer that it proposes that the Issuer acquire and equip an economic development facility and sell and/or lease the same to the Applicant or loan proceeds of an economic development financing to the Applicant for the same, said economic development facility to be acquisition and construction of an apartment complex for low and moderate income families to be guaranteed by the Federal Housing Administration including costs of issue, said project to be located at Old Decatur Road and Serenity Drive, Fort Wayne, Indiana (the "Project"); and

WHEREAS, the diversification of industry and increase in job opportunities to be achieved by the acquisition of the Project will be of public benefit to the health, safety and general welfare of the Issuer and its citizens; and

WHEREAS, it would appear that the financing of the Project would be of public benefit to the health, safety and general welfare of the Issuer and its citizens or the citizens of Allen County, Indiana; and



WHEREAS, the acquisition and construction of the facility will not have an adverse competitive effect on any similar facility already constructed or operating in Allen County, Indiana.

NOW, THEREFORE, BE IT RESOLVED by the Commission as follows:

1. The Commission hereby finds and determines that the promotion of diversification of economic development and job opportunities in Fort Wayne, Indiana, is desirable to preserve the health, safety and general welfare of the citizens of the Issuer, and that it is in the public interest that the Commission and the Issuer take such action as they lawfully may to encourage economic development, diversification of industry and promotion of job opportunities in and near the Issuer.

2. The Commission hereby finds and determines that the issuance and sale of economic development revenue bonds in an amount of approximately \$3,400,000 of the Issuer under the Act for the acquisition, construction and equipping of the Project and the sale or leasing of the Project to the Applicant or the loan of the proceeds of the revenue bonds to the Applicant, will serve the public purposes referred to above, in accordance with the Act.

3. In order to induce the Applicant to proceed with the acquisition, construction and equipping of the Project, the Commission hereby finds and determines that (i) it will take or cause to be taken such actions pursuant to the Act as may be required to implement the aforesaid financing or as it may deem appropriate in pursuance thereof; provided that all of the foregoing shall be mutually acceptable to the Issuer and the Applicant; and (ii) it will adopt such resolutions and authorize the execution and delivery of such instruments and the taking of such action as may be necessary and advisable for the authorization, issuance and sale of said economic development revenue bonds.

4. All costs of the Project which may be financed under the Act will be permitted to be included as part of the bond issue to finance the Project, and the Issuer will sell or lease

the same to the Applicant or loan the proceeds from the sale of the bonds to the Applicant for the same purposes.

5. This Resolution shall expire 180 days after the date of its adoption unless the Applicant either requests the Commission to adopt a final resolution approving closing documents or requests an extension from the Commission, which extension shall be granted upon good cause being shown.

ADOPTED this 28<sup>th</sup> day of January, 1982.

FORT WAYNE ECONOMIC DEVELOPMENT  
COMMISSION

  
\_\_\_\_\_  
Sidney R. Sheray

  
\_\_\_\_\_  
Timothy Borne

  
\_\_\_\_\_  
Charles M. Henry

  
\_\_\_\_\_  
Phil A. Howard

\_\_\_\_\_  
Stan Lipp

REPORT OF THE FORT WAYNE ECONOMIC DEVELOPMENT  
COMMISSION CONCERNING THE PROPOSED FINANCING  
OF ECONOMIC DEVELOPMENT FACILITIES FOR  
Centennial/Fort Wayne Associates ("Centennial Townhomes")

Having been furnished certain data by the above applicant, and having had discussions with representatives of said applicant, the Fort Wayne Economic Development Commission now submits the following report pursuant to Indiana Code 36-7-12-1 et seq.

Description of Proposed Facilities

The project consists of land acquisition, construction and management of FHA insured apartment units for low and moderate income persons and the elderly to be located on Old Decatur Road and Serenity Drive.

Estimate of Public Services Required

All public services, including water and sewage, now exist. No public facilities will be made necessary on account of the proposed facilities.

Total Project Cost

The total project cost for the purchase, construction and equipping of the facilities is estimated to be \$ 3,400,000.00, including costs of issuance of the economic development revenue bonds.

Land Cost	\$ 175,000
Construction Costs	2,579,947
1 yr. Debt Service Reserve Fund	645,053
	<u>\$3,400,000</u>

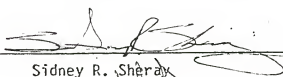
Number of Jobs and Estimated Payroll

It is anticipated there will be approximately 4 new jobs created by this project with an estimated payroll increase of approximately \$ 40,000.00 annually.

Adverse Competitive Effect

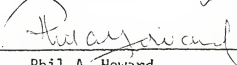
The construction of the facilities will not have an adverse competitive effect on any similar facilities already constructed or operating in or near Fort Wayne, Indiana.

Dated this 28<sup>th</sup> day of January, 1982.

  
Sidney R. Sherry

  
Charles Henry

  
Timothy Borne

  
Phil A. Howard

  
Stan Lipp

APPLICATION TO FORT WAYNE, INDIANA  
ECONOMIC DEVELOPMENT COMMISSION,  
FOR ECONOMIC DEVELOPMENT  
REVENUE BOND FINANCING

(1) Applicant's name

Centennial/Ft. Wayne Associates

(2) Address of Applicant's Principal Office and Place of Business.

2401 Hospital Trust Tower  
Providence, Rhode Island 02903  
Telephone no. 401-331-2115

(3) Type of organization under which the Applicant does business  
(e.g. corporation, partnership, sole proprietorship, joint venture).

General Partnership

(4) Under the laws of what State is the Applicant organized?

Rhode Island

(5) Business or business in which applicant is engaged?

The business plans, constructs and manages FHA-insured projects for  
low and moderate incomes and for the elderly.

(6) Is the applicant qualified to do business in Indiana?

Yes

(7) Please list names and titles of principal operating personnel.

Melde Rutledge, Jr., General Partner and Robert Gaudreau, General Partner

(8) Please list names of all persons or firms having an ownership interest of 10% or more in the applicant.

Melde Rutledge, Jr. and Robert Gaudreau

(9) Please list names of any persons who are both (a) shareholders or holders of any debt obligation of the applicant; and (b) officers or members of the Economic Development Commission; or members of the Common Council of the City; or members of the Allen County Council.

None

(10) Has any person listed been (a) convicted of a felony, (b) convicted of or enjoined from any violation of state or federal securities laws, or (c) a part to any consent order or entry with respect to an alleged state or federal securities law violation, in each case within ten years preceding the date of this application?

No

(11) What is applicant's net worth as of the end of the calendar or fiscal year quarter next preceding the date of the application?

Financial statements have been provided under separate mailing.

(12) How long has applicant been in business (a) under its present name, and (b) under any prior names? Please supply, if applicable.

Applicant is a newly formed partnership for this project as required by the FHA regulations. A resume of the applicants will be submitted under a separate cover.

(13) What is the proposed amount of the bond issue?

Approximately \$3,400,000

(14) How are the proceeds of the issue to be used? (Itemize by category of expenditure)

FHA approved Land Cost is \$105,400

FHA approved development costs are: \$3,112,943

Proceeds of the bond issue will be used to fund the FHA approved mortgage of \$2,821,500.

The balance of the issue will be utilized to fund a one year debt service reserve fund and non-construction costs and fees related to the project.

(15) If the proceeds of the issue are not estimated to be sufficient to acquire, construct and/or remodel, and equip the proposed project, itemize the additional expenditures which will be necessary and indicate the source of such funds.

The total estimated replacement cost of the project is approximately \$3,218,343. FHA will insure a mortgage in the amount of \$2,821,500. Approximately \$360,445 will be paid by the owners upon initial closing with FHA.

(16) Where is the proposed project to be located? (Give street address and legal description as it appears on auditor's records).

The project is to be located on Old Decatur Road and Serenity Drive, Ft. Wayne, Allen County, Indiana. The property is presently under option by the sponsor of this project.

Legal description attached.

(17) Describe facilities to be constructed. (Provide architect's rendering if available).

The project will provide for 88 rental units to be constructed in 8 buildings plus an accessory building. Construction will be of wood frame with brick veneer on a concrete slab foundation. Playground and other recreational facilities will be provided.

(18) Is the project solely within the city limits of Fort Wayne? (If not, give the name of the township and/or other municipality in which it is located).

Yes

(19) Is the property solely within the Fort Wayne Community School District? (If not, state the name of the School District in which it is located).

No, the property is located in the East Allen Community School District #27.

(20) What is the approximate size of the tract or parcel on which the property is to be situated?

8.90 acres

(21) If the proposed project or a portion thereof is to be leased to another entity or entities, name the entity or entities and describe the portion to be leased. If no lease is contemplated, please indicate.

Not applicable



(22) What is the nature of the business to be conducted at this location?

An apartment complex for the low and moderate income families.

(23) Does existing zoning clearly permit construction and operation of the proposed project?

(a) - What is the existing zone?

"RA" - suburban residential

(b) - What zone does project require?

Residential development, single and multi-family

(24) Will the proposed project have ready access to (a) water, and (b) sewers? If not, state how it is intended to obtain access to those utilities.

(a) Yes.

(b) Yes

These services will be provided at no cost to the municipality.

(25) Are septic tank or other temporary sewage treatment and disposal facilities to be used in lieu of sewers?

No

(26) Describe briefly any adverse environmental impact anticipated by reason of operation of the proposed project, with particular reference to air, noise or water pollution.

None

(27) If the project is constructed, will any existing jobs be lost by reason of reduction or cessation of operations (a) in the City, (b) in Allen County, or (c) elsewhere in the State of Indiana?

No

(28) Describe briefly by category the nature of the new jobs to be created.

Construction jobs during the construction period and management and maintenance personnel after the project has been completed.

(29) State the number of new jobs to be created (a) immediately after the proposed facilities are placed into operation, and (b) within three years thereafter.

(a) 0  
(b) 4

(30) What additional annual payroll will the new jobs generate (a) immediately after the proposed facilities are placed into operation, and (b) within three years thereafter.

(a) 0  
(b) \$40,000

(31) If the proposed project would not be approved for tax-exempt financing, is there any substantial possibility that loss of existing jobs would occur in (a) the City, (b) the County, or (c) the State of Indiana? If the answer to either (a), (b) or (c) is affirmative, what would be the approximate number of jobs lost and the approximate net annual dollar amount of payroll loss?

It would be difficult to determine what the loss of jobs would be in the area if housing were not provided through some means.

(32) Has the proposed project been informally reviewed by bond counsel to determine whether it is in accordance with the applicable state and federal law? If so, by what firm of bond counsel?

Yes, the firm of Ice Miller Donadio & Ryan in Indianapolis and Mr. Ken Dodds of Kutak Rock & Huie, a national bond firm headquartered in Omaha, Nebraska, have determined that this project can be done under both State and Federal statutes.

(33) Have tentative or final arrangements been made for sale of the bonds? Describe briefly any such arrangements.

Yes, the firm of Kirchner, Moore and Company in Denver, Colorado has indicated that, if the issue were structured as a two-year issue and rated MIG-1 by Moody's, it would purchase the bonds at the market interest rate prevailing at the time of sale.

(34) Describe briefly the proposed method of financing. (Direct, loan, lease, sale, etc.)

The bond issue will provide funds for a direct loan.

Centennial/Fort Wayne Associates  
Name of Applicant

BY:

Its:

Dated this 19 day of JAN, 1982

State name, address and phone number of person to be contacted and given notice about this applicant:

NOTE: The applicant should either attach a firm letter of commitment from a Bank or other financial institutions to purchase the proposed bond issue, or should attach hereto copies of its financial statements (and those of any proposed guarantor, if any), preferably audited, for the three calendar years preceding the date of this application. If the obligations of the applicant and/or payment of principal of any interest on the bonds are to be guaranteed by an entity other than the applicant, please supply answers to questions 1 through 7 inclusive, with respect to the proposed guarantor.

FORWARD APPLICATION TO:

Debbie Jo Shell  
EDC Coordinator  
City-County Building  
Room 800  
One Main Street  
Fort Wayne, Indiana 46802  
(219) 423-7995

COUNSEL FOR THE FORT WAYNE ECONOMIC DEVELOPMENT COMMISSION:

John Wernet  
200 Metro Building  
202 W. Berry Street  
Fort Wayne, Indiana 46802  
Telephone: (219) 423-3595

MEMBERS OF THE ECONOMIC DEVELOPMENT COMMISSION:

Sidney R. Sheray  
Timothy S. Borne  
Charles M. Henry  
Phillip A. Howard  
Stanley Lipp

Legal Description - A parcel of land located in the NW  $\frac{1}{4}$  Section 31, Township 30 North, Range 12 East, Allen County, Indiana more particularly described as follows, to wit; commencing at the center of Section 31, Township 30 North, Range 12 East; thence north along the North South Center line of said Section 31 a distance of 443.00 feet to the point of beginning. Beginning at the above described point; thence north 87 degrees 16 minutes west a distance of 339.72 feet; thence north a distance of 970.20 ft.; thence south 87 degrees 09 minutes east a distance of 15.0 feet; thence north a distance of 180.0 ft.; thence south 87 degrees 09 minutes east a distance of 325.0 ft. to a stone found on said north-south centerline; thence south along said north-south centerline a distance of 1149.60 ft. to the point of beginning, containing 8.90 acres of land more or less and subject to a 50 ft. dedicated street recorded in document 73-28917 and sewer easements recorded in document no. 74-07742 and no. 74-07743 in the Allen County Recorder's office.

## SPONSORS

The sponsor of the proposed project is:

Centennial/Fort Wayne Associates, a Rhode Island General Partnership, having a principal place of business at 2401 Hospital Trust Tower, Providence, Rhode Island 02903, Telephone: 401-331-2115, and whose partners are as follows:

Urban America Development Group, Ltd.  
(Melde Rutledge, Jr., Chairman)  
201 North Charles Street  
Baltimore, MD 21201  
Telephone: 301-659-9393

-and-

Gaudreau Development Co., Inc.  
(Robert Gaudreau, President)  
One Hospital Trust Plaza  
Providence, RI 02903  
Telephone: 401-331-2115

### Sponsor's Attorneys:

For all matters relating to preparation of documents, review of documents, etc., directly in connection with HUD processing and closing:

James A. O'Leary, Esq.  
10 Dorrance Street  
Providence, RI 02903  
Telephone: 401-751-3300

For all other matters including purchase of land and any interim conventional financing:

Bonahoom, Chapman, McNellis & Michaels  
Suite 2100 Fort Wayne National Bank Building  
Fort Wayne, IN 46802  
Telephone: 219-422-3547

GAUDREAU DEVELOPMENT CO., INC.

Gaudreau Development Co., Inc. is a privately held Rhode Island Corporation. The firm was organized in June, 1978 by Robert Gaudreau, its president and principal stockholder.

In order to better understand the nature of Gaudreau Development Company's interests and scope of services, it would be helpful to provide some background on the principal and officers of the corporation and the various business entities which have preceded the formation of the development company.

A native of Providence, Robert Gaudreau is a 1966 graduate of Brown University and also holds a degree from Columbia University Graduate School of Business. Mr. Gaudreau was employed by Industrial National Bank in Providence in 1969, after a brief interruption in his graduate work at Columbia to play on the U.S. Olympic Hockey Team in 1968 in Grenoble, France. Mr. Gaudreau continued to work for Industrial National and its affiliates until 1973. During that time, he served as a mortgage loan officer for Industrial National Mortgage Company and an investment officer for Westminster Properties, Inc.

In April, 1973, Mr. Gaudreau formed Gaudreau & Co., Inc. This firm was structured to provide equity financing for real estate developers through the formation of limited partnerships and the sale of partnership interests to individual and corporate investors. His extensive experience in the field of mortgage financing and expertise in the business of real estate development formed the necessary basis for evaluating various development projects and properly advising investors on various benefits or drawbacks of specific real estate investments. This service of combining the needs of investors with the equity needs of developers, known as real estate syndication, was and continues to be the primary focus of the activities of Gaudreau & Co., Inc. Through limited partnership entities, investors receive tax loss benefits, cash flow and various residual interest in individual properties or developments. Revenues for the company are earned principally through fees charged to developers for placing investors in each partnership.

In his capacity as President of Gaudreau & Co., Inc., Mr. Gaudreau has managed and supervised the syndication of over forty (40) real estate projects, ranging in investment value from \$150,000 to over \$6,000,000. Mr. Gaudreau is 36 years of age and is currently a resident of Lincoln, Rhode Island.

In October, 1973, David Twombly was employed by Gaudreau & Co., Inc. to assist Mr. Gaudreau in the overall analysis of individual real estate developments. Mr. Twombly is a 1966 graduate of Bowdoin College and also holds a Masters of Com-



munity Planning degree from the Graduate Curriculum in Community Planning and Area Development from the University of Rhode Island. Prior to joining Gaudreau & Co., Inc., Mr. Twombly was employed by the City of Newport, Rhode Island as an Assistant Planner, and as Community Development Coordinator for the City of Portland, Maine. While employed in Portland from 1970 through 1973, the scope of Mr. Twombly's responsibilities included the preparation of a new land use plan, zoning administration study, zoning ordinance and site plan review ordinance for the city, as well as the responsibility for the review of all major development proposals within the city. Mr. Twombly's expertise in the real estate development process, including local land use and zoning regulations complimented Mr. Gaudreau's activities in real estate financing and gave the firm an expanded capacity for performing syndication services for developers and investors.

From 1973 to 1977, Gaudreau & Co., Inc. began to broaden its scope of services to first include real estate planning and consulting services and later the acquisition, development and management of real estate. The combination of the softening of the real estate market in 1974 and 1975, the resulting increase in federal housing subsidy programs and the interests of investors in tax shelter resulted in a major focus of the firm in real estate ventures involving federal subsidies. During this period, Gaudreau & Co., Inc. acquired a 45 unit apartment complex, Oak Hill Apartments, in Woonsocket, Rhode Island, and developed the Portsmouth Apartments, a 48 unit rehabilitation project for the elderly in Portsmouth, New Hampshire. The Oak Hill Apartments were acquired out of foreclosure and brought to a positive income basis by Gaudreau & Co., Inc. within a six month period. The Portsmouth Apartments were developed under the Section 8 Housing Assistance Program.

During 1975, the real estate market began to strengthen. This gave the firm the ability to diversify its development activities within the conventional market. As conventional mortgage financing became more readily available, Gaudreau & Co., Inc. became involved in the development of small office buildings, land subdivisions and additional housing developments. These developments include:

#### New Construction:

##### A.B. Dick Office Building:

A 10,000 s.f. office building for the sale and repair of A.B. Dick office products located on the Airport Connector to I-95 in Warwick, Rhode Island. Completed in 1975.

#### Metropolitan Insurance Claims Office:

An 8,000 s.f. office building located on Greenwich Avenue, Warwick, Rhode Island opposite Apex. Completed in 1977.

#### Elmhurst Estate:

A 21-acre former site of the Elmhurst Academy, located on Smith Street in Providence, Rhode Island was acquired in 1975. Portions of the property were later sold to Women & Infants Hospital for future expansion of hospital facilities. The remaining portions have been sold off and are being developed as single family, duplex and fourplex residences.

#### Kenett Corporation Office Building:

A 15,000 s.f. office and manufacturing complex located on Flanders Road, Westboro, Massachusetts, off I-495. Completed in 1978.

#### Nettlewood Subdivision:

A 10 acre, 12-10t single family subdivision located off South Road in South Kingstown. Completed in 1978.

#### Acquisition of Existing Properties:

##### Singer Learning Centers:

A total of nine properties were acquired in 1978 from the Singer Corporation for a total cost of \$1,200,000. The properties continue to be operated as a partnership, as pre-school, day care centers. Locations include Cherry Hill, New Jersey, Columbia, Maryland, and Indianapolis, Indiana.

##### Ridgewood Apartments:

A 100-unit apartments complex located in Portsmouth, New Hampshire, the Ridgewood Apartments were acquired by Gaudreau & Co., Inc. in 1977 out of a pending HUD foreclosure. Previously under a FHA Section 236 subsidy program, the project was refinanced and rehabilitated under the Section 8 Program.

During 1978, it became apparent that the development activities of Gaudreau & Co., Inc. were growing and diversifying. The scope of work being performed could clearly be categorized into three separate but related functions; development, syndication and management.

Gaudreau Development Co., Inc. was formed in June 1978. A major objective in forming the new entity was to create, through the sale of stock in the corporation, a strong capital base from which larger developments could be undertaken.

Gaudreau & Co., Inc. thus becomes one of two service oriented satellite companies, returning it to its original primary functions; that of syndication, real estate financing and investment counseling. The second service company, Property Advisory Group, Inc., was also formed in June of 1978 to provide the following functions:

1. Management of properties owned by Gaudreau Development Co., Inc.,
2. Construction supervision of projects currently being developed by Gaudreau Development Co., Inc., and;
3. Advisory service for investors.

Mr. John Bentz, Vice President of Property Advisory Group, is responsible for supervising all functions of this new company.

During 1978, Gaudreau Development Co., Inc. undertook the following development projects:

Knox Hotel, Thomaston, Maine:

This completed development, involves the rehabilitation of the existing Knox Hotel an historic structure. The development will provide a mixture of 29 housing units for the elderly, as well as approximately 3,000 s.f. of commercial space on the ground floor of the structure to be leased by the Camden National Bank. The development costs for this project are approximately \$1,200,000. Mortgage financing for the housing portion of the project is provided by the Maine State Housing Authority.

Case Stree Office Condominiums, Norwich, Connecticut:

A former medical office building, this property was experiencing management and occupancy problems. The property was acquired by Gaudreau Development Co., Inc. early in 1979 and is currently being converted to office condominiums with rentals.

Westward Ho Hotel, Phoenix, Arizona:

Gaudreau Development Co., Inc. has purchased a 50% General Partnership interest in the conversion of this historic hotel in downtown Phoenix. The structure will be converted to 290 units of housing for the elderly. Total development cost for this project will be approximately \$14,000,000. Construction is underway and is expected to be completed by the end of 1981.

Shadow Farm, Wakefield, Rhode Island:

Shadow Farm is a 60 unit residential Condominium and commercial complex, another major development currently being undertaken by Gaudreau Development Co., Inc. Retail value of this property, when fully developed, will be \$10,000,000.

## RESUME

Name: Mel De RUTLEDGE, Jr.  
Address: 5604 Purlington Way  
Baltimore, Maryland 21212  
Phone: (301) 435-1980  
Summary: Chairman of the Board for Urban America  
Development Group, LTD.

Urban America Development Group, LTD., is a development/design/build team of planning, marketing and economic experts focusing on the "Urban" retail real estate market to optimize the marketability and feasibility of project development through sophisticated research and analytical techniques.

Unique about Urban America Development Group, LTD., technical expertise is its ability to supply marketing continuity to the development process; coordinating the diverse components of an urban real estate enterprise, the various levels and stages of decision making, and the often disparate economic and design consideration to ensure that the final product is highly competitive in the marketplace in every respect.

Currently direct a team of planners as Urban America Development Group, LTD., engages in market research, mortgage financing, land use planning, architectural design, interior design, construction, marketing and merchandising.

Formerly, Chief Executive of de/Rutledge, Koger & Associates, Inc. de/Rutledge, Koger & Associates is an independent Insurance and Financial Planning firm, specializing in Property, Casualty, Commercial and Group and Executive Compensation Insurance Plans.

General Manager of Freestate Contractors Association  
Annapolis, Maryland -- January, 1979

RESUME: Mel De RUTLEDGE, Jr.

Summary:

(Cont'd)

Developed and operated construction development program for minority contractors in the Maryland area. Function was to assist in marketing analysis, bonding, financing, managing of minority contractors business operations. Project was funded by the Office of Minority Business Enterprises (OMBE)

Education:

Purdue University, Fort Wayne, Indiana, 1967-69.

Indiana Business College, Fort Wayne, Indiana  
1969-71.

Business Administration -- 1971  
Morgan State University  
Baltimore, Maryland

Masters of Business Administration  
Major in Finance/Marketing  
Loyola College  
Baltimore, Maryland

Graduate of Investor Education Services, March, 1971.  
Rosslyn, Virginia. Completion of course qualified applicant to be a registered representative of the National Association of Securities Dealers (NASD) trading on Baltimore-Philadelphia-Washington Stock Exchange.

Graduate of the Wharton School Institute on "Real Estate Investment Analysis". This institute develops a systematic and comprehensive approach to analyzing investment objectives, rate of return, risk, financial leverage and economic policies.

Graduate of the Real Estate Securities and Syndication Institute (RESSI). RESSI's objective is to bring together, from both the real estate and securities business, those who sponsor or market real estate programs. Such activities include the offering of real estate limited partnerships, other types of real estate syndication and joint ventures.

RESUME: Mel De RUTLEDGE, Jr.

Professional  
Experience:

Research Director for Indiana University, 1970.  
Published a detailed analysis of Minority Business  
Development in Fort Wayne area.

Consultant for Urban League, Office of Economic  
Opportunity for Fort Wayne, Indiana, 1970.  
Position held: Analyzing, marketing, financial,  
and managerial problems for small business in Fort  
Wayne metropolitan area.

Instructor of Business Administration, 1971-72  
Morgan State University  
Baltimore, Maryland

Real Estate

Licensed to sell, manage real estate property in  
State of Maryland. Licensed with Charles H. Steffey,  
Inc., in the capacity of Project Manager.

Professional  
Affiliations:

American Institute of Planners

American Management Association

Home Builders Association of Maryland

National Leased Housing Association

National Association for the Advancement of  
Colored People (NAACP)

National Association of Securities Dealers (NASD)

Real Estate Management Institute

Real Estate Securities & Syndication  
Institute (RESSI)

Urban Land Institute



# PERSONAL FINANCIAL AND CREDIT STATEMENT

Project Name Centennial Townhomes Number 073 35456 PM L8  
Location Decatur Road, Ft. Wayne, Indiana  
Statement of Gaudreau Development Co., Inc. As of Sept. 30 19 81  
Address 2401 Hospital Trust Tower, Providence, RI

ASSETS		LIABILITIES AND NET WORTH	
Cash on hand in banks (Name of depository)	(Balance)	Accounts payable	\$ 5,274.00
Old Stone Bank .....	\$ 3,039.00	Notes payable	200,000.00
.....	.....	Debts payable in less than one year (secured by mort- gages on land and buildings)	.....
.....	.....	.....	.....
Account receivable	\$ 44,333.00	Debts payable in less than one year (secured by chattel mortgages or other liens on assets)	.....
Less: Doubtful Accounts	.....	.....	.....
Notes receivable	\$ .....	Other current liabilities: (describe)	.....
Less: Doubtful Notes	.....	Loan Pay. Stockholders	\$ 100,192
Stocks and Bonds - Market Value (Schedule A-reverse side)	.....	Accrued Expenses	100,338
Other current assets (describe)	.....	IBM	3,091
Accrued Interest	\$ 393.00	Total Current Liabilities	\$ 203,621.00
Adv. to Develon. Prog.	845,594.00	Debts payable in more than one year (secured by mort- gages on land and buildings)	.....
Adv. to Affiliated Co.	257,268	.....	.....
Other Advances	57,091	Debts payable in more than one year (secured by chattel mortgages or other liens on .....	.....
Pre-paid Expenses	16,908	.....	.....
Total Current Assets	\$ 224,626.00	Other liabilities (describe)	.....
Real Property - at net* (Schedule B-reverse side)	.....	Loans Pay. to Stock holders	\$ 600,000
Machinery Equipment and Fixtures - at net	23,653.00	IBM	3,865
Life Insurance (Cash value less loans)	\$ .....	.....	603,865.00
Other assets (describe):	.....	TOTAL LIABILITIES	\$ 1,012,760.00
Adv. to Develon. Prog.	279,140.00	Net Worth	527,087.00
Int. in Lim. Ptn.	12,271.00	TOTAL LIABILITIES AND NET WORTH	1,539,847.00
Organization Costs	157.00		
.....	.....		
.....	291,568.00		
TOTAL ASSETS	\$ 1,539,847.00		

\* Cost, including improvements, less depreciation.

## Accounts and Notes Receivable:

Amounts, if any, due from partners (P), employees (E)  
or relatives (R), specify:

Type (P,E or R)	Name	Address	Amount
Other	Blackstone Assoc.		\$37,500
Other	Douglas Manor Assoc.		6,833
		TOTAL	44,333

## Insurance:

Life (face value) \$ -0-  
Beneficiary

## Pledged Assets:

Type Pledged	Amount	Offsetting Liability
IBM Typewriter	8,314	6,956

## Delinquencies:

If any taxes, mortgage payments or other liabilities are  
past due, specify:

Type Liability	Amount	Circumstances
N/A		

## Notes Payable:

Payable to	Amount	Maturity Date
Old Stone Bank	200,000	90 days
IBM	6,956	

## Legal Proceedings:

If any legal proceedings have been instituted by creditors,  
or any unsatisfied judgments remain on record, give full de-  
tails:

N/A

**SCHEDULE A - STOCKS AND BONDS**[illegible]

**SCHEDULE B - REAL PROPERTY (INDICATE PRIVATE RESIDENCE, IF ANY)**

Location and Description of Land and Buildings Owned	Age	Original Cost	Market Value	Assessed Value	Mortgaged For	Insured For
N/A						
TOTALS						

**Title:**

The legal and equitable title to all pieces of the above-described real estate is solely in my name, except as follows:

Location of Real Property	Name of Title Holders
N/A	

### References:

Bank- Old Stone Bank, Providence, RI - Michael Marques  
150 South Main Street

Trade- George Calcagni & Sons, Johnston, RI - 34 Oakdale Avenue - George Calcagni  
Hills Office Supply, 490 Main Street, Pawtucket, RI - William Whalen  
Huygens & Dimella, 286 Congress Street, Boston, Massachusetts - Francis L. Dimella

Please refer to 2013 Supplement for reference

I HEREBY CERTIFY that the foregoing figures and the statements contained herein, submitted by me for the purpose of obtaining mortgage insurance under the National Housing Act, are true and give a correct showing of my financial condition as of this date.

Signed this 30th day of October, 1981

(Name) Robert Gaudreau Pres.  
Robert Gaudreau

### WARNING

U.S. Criminal Code, Section 1010, Title 18, U.S.C., "Federal Housing Administration transactions", provides in part: "Whoever, for the purpose of . . . influencing in any way the action of such Administration . . . makes, passes, utters, or publishes any statement, knowing the same to be false, . . . shall be fined not more than \$5,000 or imprisoned not more than two years, or both."



Gaudreau Development Co., Inc.

GAUDREAU DEVELOPMENT CO., INC.  
Information on Receivables at August 31, 1981

Current Portion of long-term advances to development projects:

Due within 3 months	\$ 2,209
Due within 4 months	534,000
Due within 8 months	244,900
Due within 10 months	64,485
	<u>\$ 845,594</u>

Development Fees Receivable:

Blackstone Associates (Due in 4 months)	\$ 36,500
Douglas Manor Associates (Due in 8 months)	7,833
	<u>\$ 44,333</u>

Affiliated Companies (Due within 4 months)	\$ 257,268
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Other Receivables (Due within 12 months)	\$ 57,091
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# OLD STONE BANK

TRUST AND INVESTMENT GROUP

October 26, 1981

As of the close of business October 22, 1981, the balance in the Escrow Account under an In-Trust Agreement between Westward Ho Associates, Real Estate Associates Limited II and Old Stone Bank as Escrow Agent was \$445,000.00 principal and \$49,384.53 income.

OLD STONE BANK

*Elizabeth A. Neilan*  
Elizabeth A. Neilan  
Vice President & Trust Officer

# PERSONAL FINANCIAL AND CREDIT STATEMENT

Project Name Centennial Townhomes Number 073 35456 PM L8  
 Location Fort Wayne, Indiana  
 Statement of Urban America Development Group, Ltd. As of Sept. 30 19 81  
 Address 5604 Purlington Way, Baltimore, MD

ASSETS			LIABILITIES AND NET WORTH		
Cash on hand in banks (Name of depository)	(Balance)		Accounts payable		\$ 4,173.
Union Trust	1,606		Notes payable		
			Debts payable in less than one year (secured by mort- gages on land and buildings)		
		1,606	Debts payable in less than one year (secured by chattel mortgages or other liens on assets)		
Accounts receivable			Other current liabilities: (describe)		
Less: Doubtful Accounts					
Notes receivable	75,000		Total Current Liabilities		\$ 4,173.
Less: Doubtful Notes		75,000.	Debts payable in more than one year (secured by chattel mortgages on land and buildings)		118,012
Stocks and Bonds - Market Value (Schedule A-reverse side)			Debts payable in more than one year (secured by chattel mortgages or other liens on assets)		150,000
Other current assets (describe)			Note to Gaudreau		
			Other liabilities (describe)		
Total Current Assets		\$ 76,606	TOTAL LIABILITIES		\$ 272,185.
Real Property - at net* (Schedule B-reverse side)		225,000	Net Worth		135,833
Machinery Equipment and Fixtures - at net		7,212	TOTAL LIABILITIES AND NET WORTH		\$ 408,018
Life Insurance (Cash value less loans)					
Other assets (describe):					
.. Organization Fees	24,200				
.. HUD Contract	75,000				
TOTAL ASSETS		\$ 408,018			

\* Cost, including improvements, less depreciation.

## Accounts and Notes Receivable:

Amounts, if any, due from partners (P), employees (E)  
or relatives (R), specify:

Type (P, E or R)	Name	Address	Amount
P	Contract held at Baltimore office of UDAG	2/82	75,000

## Insurance:

Life (face value) \$  
 Beneficiary

## Pledged Assets:

Type Pledged	Amount	Offsetting Liability
NONE		

## Delinquencies:

If any taxes, mortgage payments or other liabilities are  
past due, specify:

Type Liability	Amount	Circumstances
None		

## Notes Payable:

Payable to	Amount	Maturity Date
Gordon Feinblatt	4,173	6-8-81

## Legal Proceedings:

If any legal proceedings have been instituted by creditors,  
or any unsatisfied judgments remain on record, give full de-  
tails:

Carpet Fair - dispute being settled,  
amount is \$3,016.00

NOTE: If more space is required use separate sheet of paper writing on one side only.

(Over)

**SCHEDULE A - STOCKS AND BONDS**

Description	Cost	Current Market Value (At date of this Statement)	If Listed, Name Exchange
None	\$	\$	

**SCHEDULE B - REAL PROPERTY (INDICATE PRIVATE RESIDENCE, IF ANY)**

Location and Description of Land and Buildings Owned	Age	Original Cost	Market Value	Assessed Value	Mortgaged For	Insured For
5604 Purlington, Baltimore, MD	1 yr	115,000	250,000	196,000	118,012	200,000
<b>TOTALS</b>						

Title: N/A

The legal and equitable title to all pieces of the above-described real estate is solely in my name, except as follows:

Location of Real Property	Name of Title Holders

References:

Bank— Union Trust Bank, Baltimore, MD      Dick Reid - Assistant V-P

Trade— Stark Office Supply, 206 Water St., Baltimore, MD  
Northeastern Heating & Air Conditioning, Inc. 7P W. Ayresbury Rd., Timonium, MD  
McKeeDuval & Assocs., Inc. 1717 York Road, Lutherville, MD 21903

I HEREBY CERTIFY that the foregoing figures and the statements contained herein, submitted by me for the purpose of obtaining mortgage insurance under the National Housing Act, are true and give a correct showing of my financial condition as of this date.

Signed this 30 day of October, 19 81

(Name) Mel De Rutledge

**WARNING**

U.S. Criminal Code, Section 1010, Title 18, U.S.C., "Federal Housing Administration transactions", provides in part: "Whoever, for the purpose of . . . influencing in any way the action of such Administration . . . makes, passes, utters, or publishes any statement, knowing the same to be false, . . . shall be fined not more than \$5,000 or imprisoned not more than two years, or both."



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT  
HOUSING, FEDERAL HOUSING COMMISSIONER AND  
U.S. DEPARTMENT OF AGRICULTURE  
FARMERS HOME ADMINISTRATION  
**PREVIOUS PARTICIPATION CERTIFICATION**

**PART I - CERTIFICATE (To be completed by Principals of Multifamily Projects.)**


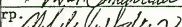
<b>1. TO: (Name and City of HUD Area Office or USDA-FmHA District Office where the Application is Filed.)</b>  Department of Housing & Urban Development Indianapolis, Indiana	<b>2. PROJECT NAME, I.D., OR PROJECT NUMBER AND CITY, STATE CONTAINED IN THE APPLICATION</b>  Centennial Townhomes Fort Wayne, Indiana SECTION 8 CONTRACT NUMBER IN36-0061-042 073-35456-PM-L8
<b>3. LOAN OR CONTRACT AMOUNT</b> \$ 3,138,600	<b>4. NUMBER OF UNITS OR BEDS</b> 88  <b>5. SECTION OF ACT (If known)</b> 221 (d) 4/8  <b>6. TYPE OF PROJECT (Check One)</b> <input type="checkbox"/> Existing <input type="checkbox"/> Rehabilitation <input checked="" type="checkbox"/> Proposed (New)

**LIST OF ALL PROPOSED PRINCIPAL PARTICIPANTS**

7. Alphabetical List of the Full Names (last name first) and Address of all known principals and affiliates (people, businesses and organizations) proposing to participate in the project described above.	8. Role of Each Principal	9. Expected % Interest in Ownership	10. Social Security or IRS Employer Number
Centennial/Fort Wayne Associates, a Rhode Island General Partnership 2401 Hospital Trust Tower Providence, RI 02903  *****	Owner	100%	05-0389025
Gaudreau Development Co., Inc. 2401 Hospital Trust Tower Providence, RI 02903	General Partner	50%	05-037-5782
Urban America Development Group, Ltd. 201 North Charles Street Baltimore, MD 21201	General Partner	50%	05-038-9025

**CERTIFICATION**

<p>I (meaning the individual who signs as well as the corporations, partnerships or other parties listed above who certify) hereby apply to HUD or USDA-FmHA, as the case may be, for approval to participate as a principal in the role and project listed above based upon my following previous participation record and this Certificate.</p> <p>I certify that all the statements made by me are true, complete and correct to the best of my knowledge and belief and are made in good faith, including the data contained in Schedule A and Exhibits signed by me and attached to this form.</p> <p>A. I further certify that:</p> <ol style="list-style-type: none"> <li>Schedule A contains a listing of every assisted or insured project of HUD, USDA-FmHA and State and Local Government housing finance agencies in which I have been or am now a principal.</li> <li>For the period beginning 10 years prior to the date of this certification, and except as shown by me on the certificate.           <ol style="list-style-type: none"> <li>No mortgage on a project listed by me has ever been in default, assigned to the Government or foreclosed, nor has mortgage relief by the mortgagee been given;</li> <li>I have not experienced defaults or noncompliances under any Conventional Contract or Turnkey Contract of Sale in connection with a public housing project;</li> <li>To the best of my knowledge, there are no unresolved findings raised as a result of HUD audit, management reviews or other Governmental investigations concerning me or my projects;</li> <li>There has not been a suspension or termination of payments under any HUD assistance contract in which I have had a legal or beneficial interest attributable to my fault or negligence;</li> <li>I have not been convicted of a felony and am not presently, to my knowledge, the subject of a complaint or indictment charging a felony. (A felony is defined as any offense punishable by imprisonment for a term exceeding one year, but does not include any offense classified as a misdemeanor under the laws of a State and punishable by imprisonment of two years or less);</li> <li>I have not been suspended, debarred or otherwise restricted by any Department or Agency of the Federal Government or of a State Government from doing business with such Department or Agency.</li> </ol> </li> </ol>	<ol style="list-style-type: none"> <li>I have not defaulted on an obligation covered by a surety or performance bond and have not been the subject of a claim under an employee fidelity bond.</li> <li>All the names of the parties, known to me to be principals in this project(s) in which I propose to participate, are listed above.</li> <li>I am not a HUD/FmHA employee or a member of a HUD/FmHA employee's immediate household as defined in HUD's Standard of Conduct in 24 CFR 0.725-205(e)(2)/USDA's Standard of Conduct in 7 CFR Part O Subpart E.</li> <li>I am not a principal participant in an assisted or insured project this date on which construction has stopped for a period in excess of 20 days or which has been substantially completed for more than 90 days and documents for closing, including final cost certification have not been filed with HUD or FmHA.</li> <li>To my knowledge I have not been found by HUD or FmHA to be in noncompliance with any applicable civil rights laws.</li> </ol> <p>B. (APPLICABLE TO GENERAL PARTNERS OR PROJECT OWNERS ONLY) All the parties who are principals or who are proposed as principals here are listed above and no principals or identities of interest are concealed or omitted.</p> <p>C. I am not a Member of Congress or a Resident Commissioner nor otherwise prohibited or limited by law from contracting with the Government of the United States of America.</p> <p>D. Statements above (if any) to which I cannot certify have been deleted by striking through the words with a pen. I have initialed each deletion (if any) and have attached a true and accurate signed statement (if applicable) to explain the facts and circumstances which I think helps to qualify me as a responsible principal for participation in this project.</p>
--	---

Typed or Printed Name of Principal	Signature of Principal	Title, Role or Capacity	Date	Area Code and Telephone No.
Gaudreau Devel. Co., Inc.		General Partner	10/30/81	401/331-2115
Urban America Devel. Grp.		General Partner	10/30/81	301/659-9393
Melde Rutledge, Jr.				

<b>WARNING:</b> It is a crime to knowingly make false statements to the United States on this or any other similar form. Penalties upon conviction can include a fine and imprisonment. For details see: Title 18 U.S. Code, Section 1001 and Section 1010.	THIS FORM WAS PREPARED BY (Please print name) Puller Mortgage Associates, Inc.	AREA CODE & TELEPHONE NO. 317/842-4800
---	---	---

**REPORT OF INSPECTOR GENERAL - INTERNAL PROCESSING ONLY**

THE INDICES OF THE INSPECTOR GENERAL'S OFFICE HAVE BEEN CHECKED FOR THE NAMES OF THE PRINCIPALS LISTED IN PART I ABOVE		
AND: <input type="checkbox"/> a. WE HAVE NO INFORMATION; OR <input type="checkbox"/> b. WE HAVE INFORMATION AND A REPORT IS ATTACHED		
DATE	TITLE	SIGNATURE



# SCHEDULE A - LIST OF PREVIOUS PROJECTS AND SECTION 8 CONTRACTS

By my name below is the complete list of my previous projects and my participation history as a principal in Multifamily Housing programs of HUD/USDA-FmHA, State and Local Housing Finance Agencies.

*NOTE: Read and follow the attached instructions sheet carefully. Abbreviate where possible. Make full disclosure. Add extra sheets if you need more space. Double check for accuracy. If you have no previous projects write by your name - "No previous participation - First Experience."*

1. List each Principal's Name (List in Alphabetical Order, Last Name First)	2. List Previous Projects (Give the I.D. Number, Project Name, City of Location, Government Agency Involved and Number of Units in the Project)	3. List Principal's Participation Role and Interest - Give Month and Year Participation began and ended.	4. Disclose Defaults, Mortgage Relief, Assignments, Foreclosures. If None, write "None."	5. RESERVED FOR HUD PROCESSING
Centennial/Fort Wayne Associates, a Rhode Island General Partnership	No Previous Participation	N/A	N/A	
Gaudreau Development Co., Inc.	016-3800/WAHLDP18 (HUD) Douglas Manor 100 Units Providence, RI ME36/HO17-171 (HUD) Knox Hotel Apartments 23 Units Thomaston, ME 123-35016/4216-802/3001 (HUD) Westward Ho Apartments 290 Units Phoenix, AZ R143-HO23/021 (HUD) Echo Valley Apartments 100 Units West Warwick, RI	General Partner  General Partner  General Partner  General Partner	None  None  None  None	
Urban America Development Group, Ltd.	No Previous Participation	N/A	N/A	

## PART II - INTERNAL PROCESSING ONLY

1. Received by the Field Office, checked by me for accuracy and completeness and found ready for processing:

DATE FTS TELEPHONE NUMBER

SUPERVISOR, PROCESSING CONTROL AND REPORTS UNIT

2. TO: Department of Housing and Urban Development, Multifamily Participation Review Committee, Washington, D.C.  
A review of the records and project files of this office relative to the above listed parties and projects reveals:

☐ A. No adverse information, Form HUD-2530 approval is recommended; ☐ B. Problems exist, my memorandum on them is attached.

DIRECTOR OF HOUSING

PROCESSING IS AUTHORIZED

DATE

NAME OF AREA MANAGER

OFFICERS

GAUDREAU DEVELOPMENT CO., INC.

President:	Robert R. Gaudreau 2401 Hospital Trust Tower Providence, Rhode Island 02903
Vice President:	David F. Twombly 10 Dorrance Street Providence, Rhode Island 02903
Secretary:	Edward A. Gemma 2401 Hospital Trust Tower Providence, Rhode Island 02903
Treasurer:	Robert R. Gaudreau 2401 Hospital Trust Tower Providence, Rhode Island 02903



Corporate officers of Urban America Development Group, Ltd.

1. Mel de Rutledge, Jr., President
2. Lawrence Patrick Rutledge, Secretary
3. Nelson Cooper, Treasurer



# The City of Fort Wayne

January 4, 1982

Mr. Bruce Boxberger  
City Attorney  
City-County Building  
Fort Wayne, Indiana

RE: EDC Application for Centennial/Fort Wayne Associates

Dear Bruce:

I have reviewed the application and financial statements of the above named applicant.

I find no problems with these documents which should deter action by the Commission.

However, I would like to recommend to the Commission to request a letter of commitment from the firm identified in item #23 of the application.

Sincerely,



Frank W. Heyman  
City Controller

BONAHOOM, CHAPMAN, McNELLIS & MICHAELS

ATTORNEYS AT LAW

SUITE 2100

FORT WAYNE NATIONAL BANK BUILDING

FORT WAYNE, INDIANA 46802

OTTO M. BONAHOOM  
HOWARD L. CHAPMAN  
PAUL B. McNELLIS  
PATRICK G. MICHAELS  
CHARLES M. LOESER  
GREGORY A. KAHR

TELEPHONE  
AREA CODE 219  
422-3547  
OF COUNSEL  
BYRON F. NOVITSKY

February 23, 1982

Mr. Charles Westerman  
Clerk, City of Fort Wayne  
124 City-County Building  
Fort Wayne, Indiana 46802

Re: R-82-02-02 (EDC Bonds - Centennial Fort Wayne)

Dear Mr. Clerk:

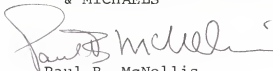
Attached you will find the following:

1. January 25, 1982 letter from Fort Wayne Housing Authority Director, Bob Glasper;
2. Undated statement from Ken Fairfield, President of Fort Wayne Apartment Association;
3. February 22, 1982 letter from Building Commissioner, Troy Yeoman.

Mr. Clerk, I would ask that a copy of each of these letters be placed in the respective council persons' file for their examination and information.

Yours truly,

BONAHOOM, CHAPMAN, McNELLIS  
& MICHAELS



Paul B. McNellis

McN:dd

Enclosures

# The Housing Authority of the City of Fort Wayne, Indiana

CITY-COUNTY BUILDING  
ROOM 650  
ONE MAIN STREET  
FORT WAYNE, IND. 46802  
219/423-7895

January 25, 1982

To Whom it May Concern:

The Fort Wayne Housing Authority administers HUD sponsored Section 8 programs that provide rental assistance to approximately 700 families. This program is at its maximum participation level each month.

In addition to the beneficiaries, there is a waiting list of about 1,477 applicants for one, two and three bedroom housing units. The anticipated waiting period for new applicants is a year. In view of the funding cutbacks imposed on HUD, it does not appear that the Fort Wayne Housing Authority will receive additional financial ability to serve more families than it presently does.

In order for a rental unit to qualify for participation in the Section 8 program, it must meet the housing quality standards, and its monthly rent must be at or below the Fair Market Rent established for Allen County, Indiana. The current Fair Market Rents for existing structures, which must include utilities, are:

One Bedroom	\$255.00
Two Bedroom	302.00
Three Bedroom	351.00

There are vacant rental units in Fort Wayne which cannot participate, since the rental charge exceeds the allowable limit.

The value of the Centennial Townhomes to Fort Wayne is that it expands the City's ability to provide quality housing to low-income families at a cost to them that is proportionate to their total income.

It has been my pleasure to be affiliated with the Housing Authority and its purpose of assisting clients in their housing needs for the past seven years. I am of the opinion the 88 units at Centennial Townhomes will provide a true service to the eligible families.

Sincerely yours,

FORT WAYNE HOUSING AUTHORITY

  
R. J. Glasper  
Executive Director

RJG/dh

The Fort Wayne Apartment Association desires to make a statement of facts regarding the current apartment vacancy rate in the City of Fort Wayne. Our association represents approximately 13,000 apartment units in the Fort Wayne area. These units represent conventionally financed, government subsidized and government assisted.

A survey was conducted on January 15th of vacancies in the apartments represented by our association. The results of the survey revealed that currently the vacancy rate in conventional units is 12% to 15%.

Our association is willing to cooperate in any manner possible with the Fort Wayne Housing Authority to place their families in our vacant units.

The current economic climate in the City of Fort Wayne indicates the need for additional housing for lower income families. However, it is understood that a pending change in the Section 8 program might enable these families to locate in an apartment of their choice, with the Federal Government subsidizing the rent.

Kenneth Fairfield, President  
Fort Wayne Apartment Association

# City-County Building Department of Allen County



TROY E. YEOMAN · BUILDING COMMISSIONER

308 E. Berry Street · Fort Wayne, Indiana 46802 · Phone: (219) 423-7131

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February 22, 1982

Paul McNellis, Attorney  
2100 Ft. Wayne National Bank Building  
Ft. Wayne, IN 46802

Re: Centennial Town Homes

Dear Mr. McNellis:

It has come to the attention of this Department EDC Bonds are being requested for the captioned project.

It is the understanding of this Department this project will generate 75 jobs and the estimated cost of construction will be \$3,000,000 plus. At a time when the construction industry in this area is so depressed, it is our feeling all proposed construction should be encouraged.

Because the finished project and construction of this project will be a dual benefit to the community as a whole, this Department trusts the City Council will give favorable consideration to the request for EDC Bonds.

Yours truly,

  
Troy E. Yeoman  
Building Commissioner

TEY:ms





# The City of Fort Wayne

February 22, 1982

Common Council of the  
City of Fort Wayne  
One Main Street  
Fort Wayne, Indiana 46802

Re: E.D.C. Application of Centennial/Fort Wayne Associates

Gentlemen and Mrs. Bradbury:

In order to assist you in regards to your decision whether to grant an Inducement Resolution for Centennial/Fort Wayne Associates, I have attached the minutes from the meetings at which the Fort Wayne Economic Development Commission considered the Centennial project. The Commission held three (3) public hearings on the issue and heard a great deal of testimony.

I hope this additional information will be helpful to you. If you should have any questions, please do not hesitate to contact me.

Sincerely,

Fred Baughman  
Coordinator  
Economic Development Commission

hjk  
enc

MINUTES

FORT WAYNE ECONOMIC DEVELOPMENT COMMISSION  
JANUARY 7, 1982

A meeting of the Fort Wayne Economic Development Commission was held in Room 128 of the City-County Building on January 7, 1982, at 11:00 A.M.

Commissioners present were: Timothy Borne, Charles Henry, Phil Howard and Sid Sheray. Mr. Stan Lipp was absent.

Commission President Sid Sheray called the meeting to order.

The first item on the agenda was the approval of the minutes of the December 17, 1981 meeting of the commission. Tim Borne moved the minutes be approved, and Mr. Sid Sheray seconded the motion. The minutes were approved unanimously and signed.

Second on the agenda was the new application of Centennial/ Fort Wayne Associates for \$3,400,000.00. Centennial was represented by Mr. James M. Hahn of Kirchner Moore & Company (underwriting firm). Mr. Patrick Michaels and Mr. Paul McNellis, (local attorneys) also were present to represent the applicant. It was noted by the Commission that neither Mr. Rutledge or Mr. Gaudreau (general partners & applicant) were present at the hearing.

The project consists of the acquisition, construction and design of a multi-family rental project to be insured by FHA and HUD Section 8 subsidies. It will consist of 88 housing units and will be located at Old Decatur Road and Serenity Drive. There will be eight buildings plus a service building (8-2 bedroom townhouses; 24-3 bedroom townhouses; 16-1 bedroom apartments; 42-2 bedroom apartments; and 2 handicapped units).

Mr. Hahn stated that this project should generate about \$900,000 in construction payroll. That payroll, the additional available housing units, the increase in the local tax base, and the creation of four permanent jobs are the benefit to the public created by this project. Mr. Hahn further stated that the Federal Housing Authority has completed a feasibility study on the project and feels that the additional rental units are needed in Fort Wayne. In addition, the project has received a conditional commitment from FHA.

Mr. Sheray asked if there is any firm commitment from the federal government for this project. Mr. Hahn stated that Government National Mortgage Association ("Ginny Mae") funds will not be available till February. As a result, he must await the outcome of that lottery in February. However, if those federal funds do not become available, then the applicant will proceed with a long-term issue. In addition, Kirchner Moore & Company is prepared to issue a commitment to purchase all of the bonds for this project based upon the approval of FHA insurance.

Mr. Michaels then gave a brief history of this project. The site was originally located both in and out of the city. The two acres of the site, which were located in the county, were annexed and the Fort Wayne Plan Commission zoned the area for multi-family use. Because of the original question as to who had jurisdiction for zoning, HUD would not grant a firm commitment to the project, and the applicant had to wait for the "Ginny Mae" lottery funds.

Mr. Michaels presented plans of the project to the Commission for their inspection.

Mr. Sheray asked the number of jobs which the applicant hoped to create with this project. Mr. Michaels stated that there would be four (4) jobs created with an annual payroll of \$40,000.00. The nature of those jobs would be managerial, administrative and maintenance in character. Also, several jobs would be created as a result of construction.

Mr. Sheray asked if the FHA insurance is conditional upon the receipt of the G.N.M.A. funds. Mr. Hahn stated that the FHA insurance is conditional upon the receipt of the funds; however, if the G.N.M.A funds are not received, then you can still use the FHA insurance with conventional financing. This project does not have a firm commitment for FHA insurance, but does have a conditional commitment.

Mr. Howard asked what the rate of default is with this type of project. Mr. Hahn stated that there are no defaults on the bonds because of the FHA insurance. Mr. Howard then asked how often does the federal government have to bail out a developer with this type of program. Mr. Hahn stated that he had no real statistics on this, but knew that FHA on occasion has been forced to foreclose on projects and restructure the project with another developer. The key is good management of the apartment complex in order to avoid default. The management for this project is going to be Monarch Management and Realty out of Indianapolis.

Mr. Hahn further stated that the project has a guaranteed rent role from HUD (Section 8-Rental Assistance Contract) which is a twenty (20) year contract. That contract establishes a rental assistance program whereby low and moderate income tenants pay a portion of the rent and the government pays the balance. In addition, the contract also has a provision allowing for vacancy payments of 90% of rent for 90 days; and after 90 days, the government can provide enough assistance to the complex to stay current on the debt.

Mr. Howard asked what the proposed rental rate will be for the project. Mr. Hahn stated that he did not have the final approved rates. However, the Section 8 rents are based upon the HUD published "Fair Market Rents" which are revised annually. The proposed rents are as follows:

<u>Size</u>	<u>Rent</u>
One bedroom unit	\$324/mo.
Two bedroom unit	\$399/mo.
Three bedroom townhouse	\$430/mo.

Any family which makes less than 80% of the median income of the area would be required to pay 25% of their income to rent and utilities. So, for example, if an apartment would rent for \$400 per month and a family is only able to pay \$200 per month on the 25% formula to utilities and rent, then the federal government would make up the \$200 balance through a direct rental subsidy. 40.5% of the families in Fort Wayne would qualify for rental assistance.

Mr. Sheray asked how feasible is this project if the developer is not particularly interested in making a cash flow situation because of the benefit of the government subsidy and also rapid depreciation for tax purposes. In this situation, the benefit is gained with or without rental of the units. Mr. Hahn stated that most of the projects, with which he is involved in, deal with developers who construct the complex and then turn around and sell the tax shelter. Therefore, from the developers perspective, the economics of the project relate to what he can gain through the sale of that tax shelter.

Mr. Sheray asked, if looking 5 to 7 years into the future, is the community going to wind up in a situation with a complex with a high degree of vacancy, broken windows and a complete delapidation of the premises with the government subsidizing the mortgage with an absentee landlord. Mr. Hahn stated that the ultimate test of that is management, and he has confidence in Monarch because of other projects around the state.

Mr. Howard then stated that he is a little disturbed that the applicant did not attend the meeting when asking for over \$3,000,000.00; a little disturbed that over \$3,000,000.00 is only creating 3 or 4 jobs; and disturbed by the whole philosophy of subsidy. Mr. Hahn stated, that under state law, this is an eligible project for this type of financing.

Mr. Borne asked Mr. Gary Baeten and Ms. Deb Beetem from the Department of Community Development and Planning if they would address the Commission. Mr. Borne then asked how C.D. & P. has been involved in the past history of this project. Mr. Baeten stated that the Plan Commission does not consider the type of funding on a project, but looks at it only as a multi-family project and from a density and design point of view. The Plan Commission has acted upon the petition to rezone by granting multi-family use.

Ms. Beetem addressed the need for this type of project within the community. She stated that C.D. & P. had just completed a survey of most multi-family units within the city and urban service area, and found the vacancy rate to be 7.6%. For assisted housing complexes, the current vacancy rate is only 3%; therefore, there must be a demand for this type of housing.

Ms. Beetem further stated that the rents given for this project may be higher than the average rent; but, most of the apartments in the community were constructed when interest rates were much lower. Further, HUD has said that those rental prices are within the fair market rent for the area, and with those rents your project will work.

Mr. Sheray asked Ms. Beetem if housing complexes not constructed with government financing could also receive rent subsidy. She stated that Section 8 Existing is a program whereby the rent subsidy follows the tenant, and they can live anywhere in Fort Wayne if the housing unit meets code requirements. However, the city was only allotted 702 Section 8 Existing certificates and there is a waiting list of 1,600 households within the community for this program.

Mr. Sheray asked if anyone else wished to speak for or against the project. Ms. Mary Pepoy stated that she is a resident of Hazelwood and a member of a coalition of fourteen (14) southeast neighborhood associations. That group basically has three reasons why they oppose the Centennial project as follows:

1. the coalition conducted a phone survey and found about 250 vacant apartments in areas which would except assisted tenants;
2. the road back to the site of the project will have to be repaved because at present it is in bad condition; and
3. most of the funds are going outside the community.

Mr. Michaels asked to address the statements made by Ms. Pepoy. He then stated that even if there are 250 units vacant, there is no more Section 8 Existing available in the City of Fort Wayne. Secondly, the Fort Wayne Plan Commission did determine during their rezoning hearing that there is a need for this type of project.

Mr. Sheray then stated that the Centennial application is not complete for the following reasons:

1. an old application form was used;
2. would like to see a letter of firm commitment from the federal government concerning Section 8;
3. the approval of rent subsidy amounts based upon proposed rent;
4. the application fee has not been paid;
5. a letter of commitment from Kirchner Moore & Company that they will purchase the issue; and
6. ask at least one of the general partners to appear at next meeting.

Mr. Sheray further asked Ms. Beetem to write HUD and get their disposition on issuing additional Section 8 Existing certificates for housing available in Fort Wayne.

The third item on the agenda was a new application by Gregory C. & Carol Ann Moser. This application has been withdrawn.

The fourth item on the agenda was consideration of Inducement for Keystone Investors Limited for \$3,200,000.00 Keystone was represented by Mr. Patrick Bruggeman (General Partner).

The project consists of the acquisition, refurbishing and expansion of an existing industrial warehouse facility located in Keystone Industrial Park, Fort Wayne, Indiana.

Mr. Sheray asked whether or not this project constitutes a refinancing of a business in financial trouble. In addition to those financial troubles, the existing business has a complaint for damages in Allen County Superior Court. Mr. Bruggeman stated that it is the partners, not the project, that are suing Mr. Salin because he allowed them to begin construction before getting an inducement. As a result, they could not obtain low interest EDC financing.

Therefore, the complaint is based upon the existing high interest mortgage cost of the existing business owners and the repurchase of the business will affect the damages.

Mr. Bruggeman stated that the public benefit of this project is the fact that he has gotten commitments from four (4) new tenants (one relocation, two start-up businesses, and one outside relocation). These tenants will not move in unless Mr. Bruggeman will fix up the park.

Mr. Sheray asked if the present owners would realize any capital gain from the sale of this property. Mr. Bruggeman responded that they would not realize any cash profit, but may realize a capital gain because the depreciated value of the building is less than the original cost.

Mr. Howard and Mr. Sheray asked why Mr. Bruggeman could not come to the commission with an application to finance the two new buildings needed to complete the park and substitute himself in the position of the debtor for the present owners since the interest rate is less on the original loan than it would be on a new bond issue. Mr. Bruggeman stated that he had examined the idea, and the terms of the debt instruments allow for the debt to be assumed. However, one lender will not respond to any inquiry.

Mr. Sheray asked if this project could be continued to another meeting when a commitment from the holdout lender can be received. Mr. Bruggeman agreed to the continuance.

The fifth item on the agenda was T.G.I. Fridays which has asked to be continued until the meeting on February 4, 1982.

The sixth item on the agenda was a discussion of the 10-day notice requirement for inducement. The commission decided to keep that requirement, and waive it when needed on the case by case basis.

The agenda of the January 21, 1982 meeting will include Keystone Investors Limited, Centennial/Fort Wayne Associates, and final approval for Bentz.

The meeting was then adjourned.



---

Tim Borne, Secretary

Note:

The February 4, 1982 meeting will be held in the Mayor's Conference Room and not in Room 128.

Fort Wayne Economic Development Commission

January 21, 1982

A meeting of the Fort Wayne Economic Development Commission was held in Room 128 of the City-County Building on January 21, 1982 at 11:00 a.m.

Commissioners present were: Phil Howard, Sid Sheray, Timothy Borne, Charles Henry, and Stan Lipp.

Commission President Sid Sheray called the meeting to order.

The first item on the agenda was the approval of the minutes of the January 7, 1982, meeting of the commission. It was noted that the name of Mr. Howard Chapman should be changed to Mr. Paul McVellis as the attorney for Centennial/Fort Wayne Associates. With that change, Mr. Tim Borne moved the minutes be approved as amended, and Mr. Sid Sheray seconded the motion. The minutes were approved unanimously and signed.

Second on the agenda was final approval of the application of Carl Bentz and Charles Bentz. Mr. James Prickett, local attorney, presented the Bentz project. Legal notice of the public hearing was duly published in the Fort Wayne Journal Gazette and News Sentinel on January 11, 1982.

The final terms of the bond issue provide for \$350,000.00 to be purchased by the Lincoln National Bank. The term of the bond is for 12 years at a rate of 75% of prime adjusted on a daily basis.

Mr. John Wernet, the Commission's attorney, reported that all of the final documents are in order. Mr. Howard moved for passage of a Final Resolution, Mr. Lipp seconded, and the motion was carried with Messrs. Borne, Howard, Lipp, and Sheray voting aye and Mr. Henry abstaining.

It was then announced that discussion of the application for Inducement Resolution for Keystone Investors Limited would be continued to the meeting of February 4, 1982, at the request of the applicant.

The fourth item on the agenda was discussion of the application of Centennial/Fort Wayne Associates which was continued from the January 7,

1982, meeting. Mr. Paul McNellis, local attorney, represented Centennial/Fort Wayne Associates. Also present to speak for the project were the following individuals: Pat Micheals, local attorney; Melde Rutledge, Jr., and Robert Gaudrau, General Partners; Julian Rodgers, Fuller Mortgage; Bob Ryan, consultant; and James Hahn, Kirchner Moore & Company.

Because the application for the Centennial project had been submitted after the 10-day deadline for publication of a legal notice, the applicant (Centennial/Fort Wayne Associates) requested that the Commission Waive the requirement for publication of legal notice on the basis that the public hearing for Final Approval will meet the legal requirement. The Commission moved and seconded a motion to suspend the rules, and it was passed unanimously.

Mr. McNellis submitted some data from the Allen County Building Commissioner to illustrate the decline in the building industry in the City of Fort Wayne. Mr. Sheray then stated that the Commission had also recieved a letter from Mrs. Ronald Pepoy, and a copy of that letter was presented to Mr. McNellis.

Mr. McNellis stated that the property owners in the project area have no standing because they would suffer no adverse effect from the construction of the Centennial apartment complex. It is the contention of the applicant that a project of this nature will not affect the value of surrounding property based upon the opinion of Lowel K. Griffith, local appraiser. The report of Mr. Griffith will be made available to the Commission.

Mr. Bob Ryan stated that on November 10-12, 1981, he surveyed some 6,000 units of apartments in the City, and found a vacancy rate of 12% or 698 vacant units. However, 299 of those units were in the Canterbury Green apartment complex which is a non-comparable development. If you eliminate the Canterbury Green units from the survey, there would be a total vacancy rate of 10.035%. In addition, the newest Section 8 apartment complex developed in the City (Richfield Apartments) has 120 units fully occupied with a waiting list of 140 qualified Section 8 occupants. Furthermore, the complexes with the highest vacancy rates could not conform to the property standards of the U.S. Department of Housing and Urban Development, and therefore are not eligible for Section 8 Existing subsidies.

Mr. Sheray asked why existing properties cannot comply with H.U.D.



requirements. Mr. Ryan responded that it was due to insufficient parking, insufficient recreational areas, insufficient control over heating, insufficient room size, and insufficient appliances. Mr. Ryan further agreed that correction of management deficiency would correct the vacancy deficiency in many complexes.

Mr. Sheray asked why, if according to a C.D.&P. survey there are 124 vacancies in assisted housing, have not those eligible families in the community taken advantage of those vacancies. Mr. Gaudrau answered that there is a stigma on public housing and some families will not locate in public housing because of that fact.

Mr. Lipp stated that he had read the letters from Mrs. Pepoy and Mrs. Stith and agreed with some of what was stated, but for the purpose of this vote on the bond issue he is not interested in how this project will compete with other apartment complexes. What he is interested in is the number of new jobs and the increase in annual payroll. It is hard to justify a bond issue of \$3,400,000.00 and only create four new jobs. Mr. Howard added that he could appreciate the need for this project in the community, but it should not be an E.D.C. project and alternative financing should be explored.

Mr. McNellis stated that the Fort Wayne E.D.C. had passed the Woodbridge Apartment complex in March of 1980. However, four of the five Commission members are new and were not on the E.D.C. that passed the Woodbridge project.

Mr. Hahn stated that the Indiana statute allows for housing projects to use E.D.C. financing because it would assist the living conditions of the area. Further, the creation of jobs should not be the only criteria considered by the E.D.C., but should examine also community improvement and how the project will better the area.

In addition, Mr. Hahn stated that this project is only requesting short term financing for the construction period, and the construction of this project will create \$900,000.00 in construction payroll. Mr. Henry asked what guarantee the E.D.C. has that local construction workers and suppliers will be utilized since the architect used was from out of state.

Mr. Julian Rodgers stated that if an alternative form of financing is

utilized, then the interest rate will be higher and the project cost greater. That increased cost will be passed on to the tenants by greater rent amounts. As a result, E.D.C. financing is the best form of financing to keep rent payments at a lower, more reasonable amount for low-income tenants.

Mr. Ryan stated that the nationally recognized norm for equilibrium in a housing market is a 5% vacancy rate factor. Therefore, a 3% vacancy rate in Fort Wayne for publicly assisted housing is within the national equilibrium rate.

Mr. Howard stated that the positive aspects of this project are as follows:

1. the term of the E.D.C. bonds is only for the 2 year construction period and construction jobs are created during that period; and
2. many people are being forced out of the home market because they cannot afford single family homes anymore, and must therefore move to apartments.

Mr. Lipp stated that he felt the project is a benefit to the city, but past experience illustrates that in our community during bad economic times the vacancy rates usually get worse not better because people move back with mom or dad, etc.

Mr. Sheray asked if anyone else wished to speak for or against the project. Mr. Mike Fisher of 7725 Evanwood Court and President of the Brandon Hills Community Association spoke against the project. He requested that the E.D.C. not grant the Inducement Resolution for this project for the following reasons:

1. four new jobs will not substantially reduce the unemployment rate of the community;
2. the construction payroll is a one time contribution to the local economy;
3. the project will not provide a service to the community; and
4. the income derived from these apartments will not go into the local economy of Fort Wayne.

Mr. Lipp moved to continue any discussion for one week (January 28, 1982) in order to gain more information on actual vacancy rates, seconded by

Page Five.

Mr. Borne, unanimous vote in favor of the continuance.

The agenda of the February 4, 1982 meeting will include Keystone Investors Limited, T.G.I. Fridays, A.W.B. Realty, and H.M.S. Inc.

The meeting was then adjourned.

A handwritten signature in dark ink, appearing to be 'Tim Borne', is written over a horizontal line.

Tim Borne, Secretary

# MINUTES

## Fort Wayne Economic Development Commission

January 28, 1982

A meeting of the Fort Wayne Economic Development Commission was held in Room 128 of the City-County Building on January 28, 1982 at 11:00 a.m.

Commissioners present were: Timothy Borne, Charles Henry, Phil Howard, Stan Lipp and Sid Sheray.

Commission President Sid Sheray called the meeting to order.

The first item on the agenda was the approval of the minutes of the January 21, 1982, meeting of the Commission. Mr. Tim Borne moved the minutes be approved, and Mr. Stan Lipp seconded the motion. The minutes were approved unanimously and signed.

Second on the agenda was continued consideration of the application for inducement by Centennial/Fort Wayne Associates. Mr. Paul McNellis, local attorney, presented the Centennial project. Also present to speak for the project were Bob Ryan, Consultant and Julian Rodgers, Fuller Mortgage.

The Centennial/Fort Wayne Associates project consists of the acquisition, construction and design of a multi-family rental project to be insured by FHA and HUD Section 8 subsidies. The complex will consist of 88 housing units, and will be located at Old Decatur Road.

Mr. McNellis presented copies of two letters to the Commission from the Fort Wayne Housing Authority and the proposed general contractor for the project.

Mr. Sheray asked what alternative financing is available if G.N.M.A. funds are not available for long-term financing. Mr. Rodgers stated that if the project does not receive G.N.M.A. funds, then the applicant would have to explore the possible use of HUD 11(b) tax-exempt funds for long-term financing. The 11(b) funds are more costly than G.N.M.A. funds, so the utilization of 11(b) funds will result in higher rent rates and greater tenant participation. These 11(b) funds cannot be pursued until after G.N.M.A. funds are denied. Also, construction cannot begin until either G.N.M.A. or 11(b) funds are committed to the project.

Mr. Ryan further stated that the applicant will know if G.N.M.A. funds will be available for this project in March. He further stated that in the past the Fort Wayne Economic Development Commission granted inducement for housing when financing the Woodbridge Apartment complex. Woodbridge is housing for high to middle income families, so the Commission could not discriminate against low income families in this project.

This project will serve as a buffer zone between the dense commercial area around Southtown Mall and the residential neighborhoods.

The Commission then called Mr. Robert Glasper, Executive Director of the Housing Authority of the City of Fort Wayne, in order to determine the need for additional government assisted housing within the community. Mr. Glasper explained the various federal housing programs to the members of the Commission. There has however been no determination that the Centennial project will be under the jurisdiction of the Housing Authority. If the project would utilize HUD 11(b) funds, then it would have to be under the jurisdiction of the Housing Authority.

Mr. McNellis, attorney for applicant, asked Mr. Glasper if in his professional opinion there is a need for additional assisted apartment units in the City. Mr. Glasper responded that this project will be advantageous to low-income families in Fort Wayne.

Mr. Sheray then called Mr. Kenneth Fairfield, President of the Fort Wayne Apartment Association, to make a statement to the Commission. Mr. Fairfield stated that a recent survey concluded that there is a vacancy rate of 12% in the City, and the Apartment Association is willing to work with the Housing Authority to place families in those existing vacant units.

Mr. Fairfield stated that the goal of the rental housing industry is 95% occupancy. Mr. McNellis asked if Mr. Fairfield saw any difference in the vacancy rate of government assisted units and non-assisted units. Mr. Fairfield responded that there is a difference, and subsidized properties have a much less vacancy rate than conventional complexes.

Mr. Keith Hughes, Manager of four (4) local apartment complexes: Winchester Woods; Schoaf Park Villa; Indian Village Garden Apartments and Carriage House, asked to address the Commission. All of those units are conventional with no subsidy.

Mr. Hughes made three (3) basic points. First, there is a need in the City of Fort Wayne for Section 8. Second, the Fort Wayne Housing Authority does an excellent job in providing housing, but because of limits on funding they cannot do any more. Finally, as the local economy improves, there will be a need for additional apartment units both conventional and subsidized.

Mr. Hughes proposed that since there are many available housing units in Fort Wayne, the HUD funds for new construction and support of existing properties should be blended together. These funds could be put in escrow until a need exists for additional units to be constructed; the revenue from that investment could provide housing for not 88 families, but for 200 families (through subsidy of existing units).

Mr. Sheray asked if anyone else wished to speak for or against the project. Mr. Paul Schulte, manager of Versailles on the Lake and Woodview Manor, asked to speak to the Commission. He stated that there is a need in our community for additional low-income housing.

Mr. Sheray then called for a vote to grant an Inducement Resolution for Centennial/Fort Wayne Associates, seconded by Mr. Borne. The Commission was polled with the following results:

Mr. Lipp - Nay

Mr. Henry - Aye

Mr. Borne - Mr. Borne stated that he did not like the Section 8 program, but is the law which we must live with. Also, the neighborhood association argument was not valid. Finally, Woodbridge set a precedent for the E.D.C. by financing housing for middle or upper-middle income families, and it is hard not to justify tax subsidy for low-income families as well. The project will provide needed construction jobs. Therefore, voted Aye.

Mr. Howard - Aye

Mr. Sheray - Mr. Sheray felt that the Commission has an overall responsibility to determine what economic effect the project will have on the community as a whole. The overall economics could best be served by utilization of existing apartment units rather than construction of a new complex. Therefore, voted Nay.

The Commission by a vote of 3 to 2 issued an Inducement Resolution for Centennial/Fort Wayne Associates.

Mr. Borne made a motion to amend the original motion such that the applicant must spend the majority of their construction dollars for labor and material within the Fort Wayne Community. Further, request the prompt and timely payment of those suppliers of materials and labor, and the Commission be provided with documents on the awarding of bids for the project. This amendment was seconded by Mr. Henry, and the Commission voted 3 to 2 in favor of the amendment.

The agenda of the February 4, 1982 meeting will include T.G.I. Fridavs, HMS, Inc. and Keystone Investors Limited.

The meeting was then adjourned.



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Tim Borne, Secretary

DIGEST SHEET

2-82-02-02

TITLE OF ORDINANCE Inducement Resolution for an issue of \$3,400,000.00DEPARTMENT REQUESTING ORDINANCE Economic Development CommissionSYNOPSIS OF ORDINANCE Acquisition and construction of an apartmentcomplex for low and moderate income families to be quaranteed bythe Federal Housing Administration to be located at Old DecaturRoad and Serenity Drive, Fort Wayne, Indiana, including costs of issueon application of Centennial/Fort Wayne Associates, a GeneralPartnership.EFFECT OF PASSAGE Acquisition and construction of an apartment complexfor low and moderate income families creating approximately 75 con-  
struction and 4 permanent jobs with an estimated payroll of approxi-  
mately \$900,000 for construction jobs and \$40,000 for permanent jobsEFFECT OF NON-PASSAGE None of the above. annually.MONEY INVOLVED (DIRECT COSTS, EXPENDITURES, SAVINGS) None.

ASSIGNED TO COMMITTEE (PRESIDENT) \_\_\_\_\_